

Department of Natural Resources and Environmental Control Division of Fish and Wildlife

February 1, 2017

ISSUED BY: Robert Gano

Regional Fish & Wildlife Manager

302-539-3160

SUBJECT: TIMBER SALE AWARD NOTICE

NAT-16-101-MIDLANDS_THIN

Midlands Wildlife Area - Pulpwood Thinnings Timber Sale

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Land Lease Award Notice Contract No. NAT-16-101-MIDLANDS_THIN KEY LEASE INFORMATION

CONTRACT PERIOD

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Buyer's contract shall be valid for a two (2) year period from February 1, 2017 through January 31, 2019. Contract extension may be granted upon written request at least thirty (30) days in advance of the contract expiration date. The request must be made in writing from the Buyer to the Secretary of the Department of Natural Resources and Environmental Control.

Buyer and Parcels

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Egolf Timber Harvesting, Inc. Attn: Arthur Egolf, President 36642 Horsey Church Road Delmar, DE 19940 302-846-0634 Midlands Wildlife Area – 750 acres on tracts shown on Exhibit 1 (Maps 1 – 9) of the ITB.

BID AMOUNT - PER TON

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The Buyer shall pay the Division of Fish & Wildlife based on copies of haul/weight slips that must be provided with weekly payments. All loads must be weighed on a state certified scale that is capable of weighing the entire load.

Buyer will pay \$5.51 per ton.

ADDITIONAL TERMS AND CONDITIONS

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PAYMENT

The Buyer shall pay the Division on a weekly basis accompanied by haul/weight slips. Checks shall be made payable to Delaware Division of Fish & Wildlife.

METHOD OF HARVEST

The Buyer will use a commercial row thinning method. Specifications include removal of skid roads on 75-foot centers and subsequent removal of all unacceptable stock between rows including hardwoods. Residual trees will be dominants or co-dominants, of acceptable form, and be free of disease or insect infestation. Within residual trees all oaks with a greater than 6" diameter at breast height shall be left uncut. A target basal area of 70 square feet/acre is to be achieved as well as stocking of 350- to 400- tree/acre. Minimal damage of residual stand is to be maintained which includes minimal trunk scarring as well as minimal damage to residual crowns.

Buyer agrees to use best management practices throughout the operation to insure that erosion and sedimentation are not generated during or following the operation, according to the rules and regulations of Title 3, Chapter 10, Subchapter VI, Delaware's Forestry Practices Erosion and Sedimentation Control Law.

HOLD HARMLESS

The Tenant agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the successful bidder, its employees, and invitees on or about the premises and which arise out of the Tenant's performance, or failure to perform as specified in the Agreement.

TERMINATION OF LEASE

Tenant agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, then Department shall have the right to terminate this Contract. Buyer may terminate this lease by giving Department ninety (90) days' notice in writing. The Department may terminate the Contract at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

DEPARTMENT'S RESPONSIBILITIES

The Department shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Buyer to the Department and render to the Buyer in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the operations of Tenant.
- b. Give prompt written notice to the Buyer whenever the Department observes or otherwise becomes aware of any development that affects the terms, conditions, or requirements of the Buyers' contract.
- c. When the Department first experiences or becomes aware of a relatively minor problem or difficulty with a Buyer, the Department will contact the Buyer directly and attempt to informally resolve the problem. The Department should stress to buyers that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the future execution of a contract.
- d. The State has several remedies available to resolve non-performance issues with the Buyer. The Department should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Department should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the State cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Department must then formally contact the Buyer, discuss the reasons surrounding the default and establish a date when the Buyer will resolve the non-performance issue.